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SUBJECT: AZERBAIJANI PRESIDENT REPEATS REQUEST FOR A
SECURITY GUARANTEE

REF: MOSCOW 1225

Classified By: Ambassador Anne E. Derse. Reasons: 1.4 (b, d)

¶1. (S/NF) SUMMARY: President Aliyev told EUCOM Commander Craddock on May 21 that Azerbaijan's independent policies in support of NATO, Georgia and especially on energy leave it increasingly exposed to growing Russian and Iranian pressure. Azerbaijan needs "serious political and security guarantees" now to maintain its pro-Western stance, Aliyev said. Lamenting continued European equivocation on Nabucco, he also urged a stronger joint effort ("like in the days of the BTC") to advance a "serious energy agenda." Saying that Azerbaijan would "continue to contribute as much as needed" in both military and civilian support in Afghanistan, he welcomed General Craddock's offer of a team to come to Baku to discuss next steps to expand Azerbaijan's contribution. END SUMMARY

¶2. (S/NF) EUCOM Commander General Bantz Craddock, accompanied by the Ambassador, POLAD Katherine Canavan, Major General Kisner (SOCEUR) and Major General Schafer met with President Aliyev and his International Relations Advisor Novruz Mammadov on May 21. Craddock met separately with Foreign Minister Elmar Mammadyarov and Defense Minister Safar Abiyev the same day (septel).

¶3. (S/NF) General Craddock opened the discussion by recalling that he visited Azerbaijan in 2003 with then-Defense Secretary Rumsfeld and was impressed, upon returning, with Azerbaijan's significant development since then. He thanked Aliyev for Azerbaijan's contributions in Afghanistan, for the success of the U.S. and Azerbaijan's first bilateral military exercise, Regional Response 09, and for Azerbaijan's participation in the ongoing NATO exercise in Georgia.

¶4. (S/NF) Aliyev replied that his government has focused on helping Azerbaijan's private sector develop, and 14 percent growth in the non-oil sector in the first quarter of 2009 was the best example that Azerbaijan is making proper use of its oil wealth. He lauded the success of Azerbaijan's 2004-2008 regional development program and noted that the government has established a comprehensive and ambitious program for the coming five years as well, with the aim of spurring broad-based development as soon as possible.

Aliyev: Azerbaijan is a Reliable Partner, Under Pressure,
Needs Support

¶5. (S/NF) "Time is very important in our region," Aliyev said pointedly, "including for energy projects. If not done in time, they become much more difficult to do." He told

General Craddock that military-to-military cooperation is very important for Azerbaijan's security and for our bilateral relations. Some of Azerbaijan's neighbors did not participate in the NATO exercise in Georgia, he noted, which "shows clearly what policies countries are pursuing." NATO should take this into account in analyzing who are its true partners, Aliyev said. He continued that he knew Armenia and Kazakhstan would not participate in the exercise, at Russia's behest; they had been the strongest supporters of Russia's intervention in Georgia as well.

¶6. (S/NF) Azerbaijan, on the other hand, is open to cooperation and independent in its policies. Azerbaijan's participation in the exercise in Georgia was "a clear indicator of our policy." When Russia invaded, Azerbaijan was the first to support Georgia, as President Saakashvili had publicly underscored during his visit to Baku this week -- in contrast to Kazakh President Nazarbayev and Armenian President Sargsian, who "sat with Putin and Medvedev in Beijing denouncing" the Georgians during the crisis, Aliyev said.

¶7. (S/NF) If actions such as Azerbaijan's support for NATO and Georgia are not taken into account by the West, "it is unfair, and will create the impression in Azerbaijan that we should do the same" as Armenia and Kazakhstan, Aliyev told General Craddock. Azerbaijan's participation in Regional Response 09 and in the recent military exercise in Georgia "exposes us to Russian pressure." The war in Georgia showed that Russia cares nothing about international public opinion or international law, and also that "small countries are not

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a priority for big countries." Aliyev said he had discussed with President Saakashvili the fact that the U.S. and Russia are "pressing the red button, tensions are over, NATO-Russia relations are to be restored -- while Georgia lost its land."

¶8. (S/NF) Aliyev said that the upshot of recent developments in the region is that "Russia can do whatever it wants" in the Caucasus. As a result, Aliyev said bluntly, "we need more political and practical support to continue our (pro-Western) policy." He underscored the need for concrete, tangible steps, saying that "we hear statements" with respect to support for Azerbaijan's security "but there are no practical steps." It is the same with respect to energy, he said. Azerbaijan's Caspian neighbors took a step back in Prague, when Kazakhstan, Uzbekistan and Turkmenistan refused to sign a joint statement on energy. "Judgments and attitudes towards these countries should be based on what they do -- denouncing Georgian aggression, refusing to participate in the NATO exercise or to provide support on energy," Aliyev said.

¶9. (S/NF) "The attitude toward them should be worse than the attitude toward us," given Azerbaijan's support Aliyev asserted. "It is time for us to know what the future goals of our cooperation will be, and to see an adequate attitude towards us based on our actions." General Craddock agreed, noting that events in Georgia had fundamentally changed NATO's assumption of the past 15 years that national sovereignty is not at risk, and had created a split in NATO that must be resolved. He asked Aliyev for his assessment of Russian strategy in the region.

¶10. (S/NF) Aliyev replied that recent developments show that the regional situation is different from that of the mid-90's. Russia is much stronger. There is a strong push to restore Russia's influence in the region. This effort is succeeding, as illustrated by the three Central Asian countries' refusal to sign an energy corridor document which they urgently need to withstand Gazprom pressure and by Moldova's boycotting of GUAM, Aliyev said. Moreover, Russia is buying support, providing Kyrgyzstan \$2 billion to close Manas, and half a billion each to Belarus and Armenia, this year alone. The EU, he noted wryly, is offering \$600 million

over five years for the six countries engaged in the Eastern Partnership.

¶11. (S/NF) Russian foreign policy is very active in the region, with many bilateral visits and meetings. The West does not match this activism. There are eight flights a day from Azerbaijan to Russia, just as in Soviet times; Azerbaijanis take them and visit Russia because visa issues prevent easy travel to Europe. Growing Russian influence is in part due to "inappropriate policy from the West to the former Soviet republics -- first, distance, then severe and unjustified criticism and interference in internal affairs. This created a negative reaction." The West's apparent assumption that its work in the FSU "is done" is wrong, Aliyev said. Maintaining support in the region requires "permanent work based on mutual interests and mutual respect," especially in light of new Russian aggressiveness.

¶12. (S/NF) "Our neighbors are unpredictable, this has been our reality for centuries, Azerbaijan has suffered invasions, occupations, divisions," Aliyev said. Despite this, "Azerbaijan shows its priorities for secular development, integration with the West, modernization. We need support, because Russian policy is to restore its influence." Central Asia also needs support. It depends on foreign assistance to survive, and will dance to the tune of whomever pays, Aliyev commented.

Energy: Europe Feckless, Stronger Joint Effort, Serious
Agenda Key

¶13. (S/NF) Aliyev told Craddock that the EU's position on energy development remains unclear. Europe "only talks" about Nabucco and has failed to identify financing to build it while Italy, Greece, Hungary and Bulgaria have signed up to South Stream ("not an alternative, just an effort to bypass Ukraine") and Germany supports North Stream. These NATO members and U.S. allies are "acting against Western interests to support the Russian gas monopoly." China, in the meantime, is paying to build a pipeline east from Central

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Asia because it needs gas, Aliyev noted. European consumers should pay for Nabucco.

¶14. (S/NF) There should be a serious energy agenda and stronger bilateral cooperation today as there was in the days of the Baku-Tbilisi-Ceyhan (BTC) oil pipeline, Aliyev urged. Cooperative efforts should include financial institutions and "provide political and practical support -- or Russia will monopolize supply and dictate" to consumers. Many NATO and EU members visit Moscow to "beg for gas," Aliyev said. "Russia is generous now, but their plan is to encircle Europe completely. Then they will be less generous." Azerbaijan is the only alternative, with "the resources, the pipeline, and the political will" to realize Nabucco. There will be no Nabucco without Azerbaijan, he said.

¶15. (S/NF) Alluding to his earlier comment that timely progress is essential to realize strategic energy projects, Aliyev told General Craddock "the time is now to resolve" this issue. By the end of 2009 or the first half of 2010 prospects for success or failure will be clear. He agreed with Craddock that through a dedicated effort to buy up European distribution networks, Russia seeks the ability to selectively turn off energy supplies to one country at a time. "This winter was just the beginning," Aliyev warned. "The Europeans must be more serious. Then, Central Asian resources will cross the Caspian."

¶16. (S/NF) NATO members should act in support of the West's strategic energy agenda, not undermine it, Aliyev said. But Turkey has blocked Azerbaijan's ability to enter the European market for over a year, with unjustified demands on price,

volumes and transit. Azerbaijan could provide more gas today to Greece and Bulgaria with Turkish cooperation.

¶17. (S/NF) General Craddock told Aliyev that Azerbaijan, stable and self-sufficient in energy, is unique in the region, and this should be recognized. He said he was aware of Azerbaijan's interest in a security arrangement and strengthening of relations and supports these goals. Aliyev responded that a security arrangement is very important. Azerbaijan is not covered by any security arrangement. Even Turkey "refuses broad military cooperation or the conclusion of a mutual support agreement." Armenia is protected by Russia, and Georgia by NATO and the U.S.

¶18. (S/NF) Azerbaijan, Aliyev said, "is the only one exposed, and exposed to both Russia and Iran. We rely only on our own capabilities for security. We need a security guarantee. If we implement our plan to supply gas to the West there will be measures against us. It happened in the mid-90's. Two weeks after the signing of the contract of the century Russia organized a coup attempt." BTC, he underscored, was just a regional project, as oil can be sold anywhere. Sending gas West is a "much more serious" matter, including in terms of the potential repercussions for Azerbaijan. "We need serious political and security guarantees," he repeated. Again noting his support, General Craddock pledged to take this message back to Washington.

Azerbaijan Ready to Receive U.S. Team to Discuss Increased
Military Contribution in Afghanistan

¶19. (S/NF) General Craddock told Aliyev that the U.S. is seeking additional contributions for Afghanistan and understands Azerbaijan is interested. He offered to have a team come to Baku to explain in more detail proposed missions and related arrangements. Aliyev agreed that the team should come; the GOAJ had discussed the recent U.S. request (SEPTTEL), he has given instructions and the Ministry of Defense is ready to cooperate. Aliyev told Craddock that Azerbaijan would "continue to contribute as much as needed," noting that he had sent a senior inter-ministerial delegation to Kabul to explore with the Afghanis a broad range of civilian support.

COMMENT

¶20. (S/NF) Given the angst in Baku over Turkey-Armenia reconciliation and the Nagorno-Karabakh conflict, the absence of these topics from Aliyev's comments was notable. Instead,

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Aliyev elected to deliver with sharp focus and new urgency his long-standing message: In the face of growing Russian pressure, Azerbaijan needs significantly greater tangible support, both political and practical, to assure its security, independence and continued support for Western policies, especially with respect to sending Caspian gas west. Aliyev has hammered this theme consistently over the past several years. This time, he left no doubt that changes in the region have deepened Azerbaijan's sense of insecurity and prompted serious re-examination as to whether the benefits of Azerbaijan's pro-Western stance outweigh the costs, in the absence of greater support. We believe that it is more important than ever that the USG evaluate our interests in strengthening relations with a Western-oriented Azerbaijan, and provide a response to Aliyev and the GOAJ as soon as possible. Our willingness to address issues of crucial importance to Azerbaijan will pay benefits in terms of Azerbaijani constructiveness on Turkey-Armenia reconciliation/resolution of Nagorno-Karabakh, continued support for our Eurasian energy and Afghanistan goals and creation of a more conducive climate to encourage the reform

so important for Azerbaijan's long-term stability and
development.
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